

VZCZCXRO5591
PP RUEHLMC RUEHROV
DE RUEHLP #1137/01 1362150
ZNY CCCCC ZZH
P 152150Z MAY 08
FM AMEMBASSY LA PAZ
TO RUEHC/SECSTATE WASHDC PRIORITY 7492
INFO RUEHAC/AMEMBASSY ASUNCION 7957
RUEHBO/AMEMBASSY BOGOTA 5288
RUEHBR/AMEMBASSY BRASILIA 9225
RUEHBU/AMEMBASSY BUENOS AIRES 6451
RUEHCV/AMEMBASSY CARACAS 3589
RUEHGE/AMEMBASSY GEORGETOWN 0714
RUEHPE/AMEMBASSY LIMA 3844
RUEHMD/AMEMBASSY MADRID 4037
RUEHMN/AMEMBASSY MONTEVIDEO 5476
RUEHPO/AMEMBASSY PARAMARIBO 0394
RUEHQT/AMEMBASSY QUITO 6213
RUEHSG/AMEMBASSY SANTIAGO 0905
RUEHROV/AMEMBASSY VATICAN 0004
RUEHGL/AMCONSUL GUAYAQUIL 0847
RUEHRI/AMCONSUL RIO DE JANEIRO 0995
RUEHSO/AMCONSUL SAO PAULO 2248
RUEAIIA/CIA WASHINGTON DC
RUEHBS/USEU BRUSSELS
RUEKJCS/SECDEF WASHINGTON DC
RUEHUB/USINT HAVANA 1131
RHMFISS/HQ USSOUTHCOM MIAMI FL
RUMIAAA/USCINCSO MIAMI FL
RUEHLMC/MILLENNIUM CHALLENGE CORP
RHEHNSC/NSC WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 001137

SIPDIS

E.O. 12958: DECL: 05/15/2018
TAGS: [ASEC](#) [BL](#) [PGOV](#) [PHUM](#) [PINR](#) [PREL](#)
SUBJECT: BOLIVIA: SANTA CRUZ BEGINS IMPLEMENTING AUTONOMY

REF: LA PAZ 1129

Classified By: EcoPol Chief Mike Hammer for reasons 1.4 (b) and (d).

SUMMARY

¶1. (U) The departmental government of Santa Cruz, eager to show its population the benefits of autonomy and to regain the national spotlight from the recall referendum (reftel), will begin implementing its autonomy on May 15. While largely symbolic (names changes), there are two concrete measures that will be popular: the inclusion of five representatives from indigenous communities in the state assembly and raising the monthly minimum wage from \$77usd to approximately \$140usd. End summary.

CALL ME GOVERNOR

¶2. (U) The Santa Cruz departmental council is set to pass a series of measures to begin implementing autonomy on May 15. The first are name changes. The prefect will now be called governor, the secretary general will now be the vice-governor, the department council will be the legislative assembly, and Santa Cruz will be known as the Autonomous Department of Santa Cruz. The departmental government also announced the creation of the International Commerce and Exports Council whose function will be to promote Santa Cruz exports.

TWO CONCRETE MEASURES

¶3. (C) While the first few measures are largely symbolic

name changes, there are two that are designed to have an impact on the Santa Cruz population. Under the autonomy statutes, the legislative assembly will add five representatives from indigenous communities residing in Santa Cruz. Another measure raises the minimum monthly wage in Santa Cruz from the national governments 550 bolivianos (\$77 USD) to 1000 bolivianos (\$140 USD). Departmental and Santa Cruz Civic Committee sources tell the Embassy this measure will prove popular among workers and is designed to show an immediate improvement in people's lives thanks to autonomy. (Note: A domestic employee from El Alto, upon hearing the salary news, remarked that there would be a rush of people heading to Santa Cruz looking for work. End note.)

DO NOT CROSS THE LINE, BUT GET YOUR ATTENTION

14. (C) There is increasing pressure on the Santa Cruz government to authorize soy bean and cooking oil exports, which have been banned by the national government, and to withhold hydrocarbons taxes sent to La Paz. Embassy sources tell us the governor will not do either because they cross legal lines. The Santa Cruz government will proceed cautiously with implementing autonomy, staying within the bounds of the national constitution. Santa Cruz Civic Committee Advisor Manuel Suarez told Emboff that the measures approved on May 15 were meant to show citizens the benefits of autonomy and to regain the national spotlight from the

LA PAZ 00001137 002 OF 002

recall referendum (reftel).

COMMENT

15. (C) It would appear that Santa Cruz is regaining the spotlight. The new measures are receiving headline coverage in the Bolivian media. The name changes will certainly irritate the national government and the minimum wage increase puts Evo's team on the defensive. Increased indigenous representation also takes a swipe at one of Morales' main pillars. Additionally, the measures are designed to reinforce the YES campaigns in the states of Beni and Pando, who will hold autonomy votes on June 1. End comment.
GOLDBERG